



37 “Chapter 9” means Chapter 9 of the Texas Business & Commerce Code.

38 “Chapter 1204” means Chapter 1204 of the Texas Government Code.

39 “Chapter 1206” means Chapter 1206 of the Texas Government Code.

40 “Chapter 1208” means Chapter 1208 of the Texas Government Code.

41 “Chapter 1371” means Chapter 1371 of the Texas Government Code.

42 “City” means the City of Austin, Texas.

43 “Code” means the Internal Revenue Code of 1986, as amended.

44 “Council” means the City Council of the City.

45 “Defeasance Securities” means (i) direct, noncallable obligations of the United States of  
46 America, including obligations that are unconditionally guaranteed by the United States of  
47 America and (ii) noncallable obligations of an agency or instrumentality of the United States of  
48 America, including obligations that are unconditionally guaranteed or insured by the agency or  
49 instrumentality and that, on the date of approval of the proceedings authorizing the issuance of  
50 the refunding bonds, are rated as to investment quality by a nationally recognized investment  
51 rating firm not less than “AAA” or its equivalent.

52 “Defeased Bond” means any Bond and the interest on the Bond that is considered to be  
53 paid, retired and no longer outstanding under the terms of this Ordinance, specifically PART 16  
54 of this Ordinance.

55 “Designated Payment/Transfer Office” means the office of the Paying Agent/Registrar  
56 identified by the Paying Agent/Registrar as its Designated Payment/Transfer Office for the  
57 purpose of discharging its duties under this Ordinance.

58 “DTC” means The Depository Trust Company, New York, New York.

59 “Event of Default” has the meaning described in PART 17 of this Ordinance.

60 “Expiration Date” means February 22, 2020.

61 “Future Escrow Agreement” means an escrow agreement or other similar instrument with  
62 respect to Defeased Bonds.

63 “Interest and Sinking Fund” means the Interest and Sinking Fund established in PART 9  
64 of this Ordinance.

65 “MSRB” means the Municipal Securities Rulemaking Board.

66 “Paying Agent/Registrar” means the bank, trust company, financial institution, or agency  
67 named in the Paying Agent/Registrar Agreement.

68 “Paying Agent/Registrar Agreement” means the agreement between the City and the  
69 Paying Agent/Registrar with respect to the Bonds in the form approved by an Authorized  
70 Representative, and any successor agreement

71 “Project” means a project for which proceeds of the Bonds are spent consistent with the  
72 purposes described in clause (a) of PART 3 of this Ordinance.

73 “Registered Owner” means the owner of any Bond as recorded in the Registration Books.

74 “Registration Books” means the books or records of registration and transfer of the  
75 Bonds maintained by the Paying Agent/Registrar.

76 “Rule” means SEC Rule 15c2-12.

77 “SEC” means the United States Securities and Exchange Commission.

78 “Underwriters” means the investment banking firms designated in the Bond Purchase  
79 Agreement.

### 80 **PART 3. BONDS AUTHORIZED.**

81 The Bonds shall be issued in accordance with the Constitution, laws of the State of  
82 Texas, and the Charter of the City, in one or more series, in the aggregate principal amount not to  
83 exceed \$\_\_\_\_\_ for the purposes of (a) financing the Projects described in Schedule I and (b)  
84 paying the costs of issuance associated with the sale of the Bonds. The aggregate principal  
85 amount and the designation of Bonds issued pursuant to this Ordinance shall be set forth in the  
86 Bond Purchase Agreement.

### 87 **PART 4. SALE PARAMETERS.**

88 (a) The Bonds shall be issued in any Authorized Denomination as fully registered  
89 bonds, without interest coupons, payable to the respective initial registered owners of the Bonds,  
90 or to the registered assignee or assignees of the Bonds, maturing not later than 40 years from  
91 their issue date, payable serially or otherwise on the dates, in the years and in the principal  
92 amounts, and dated and numbered, all as set forth in the Bond Purchase Agreement.

93 (b) In accordance with Chapter 1371, Council authorizes each Authorized  
94 Representative to act on behalf of the City in selling and delivering the Bonds and carrying out  
95 the other procedures specified in this Ordinance, including determining and fixing the number of  
96 series and the designation or title by which series of Bonds sold shall be known and, with respect  
97 to any series of Bonds, the purposes and aggregate principal amount of the Bonds sold, the dated  
98 date and the date of initial delivery of the Bonds sold, the price at which the Bonds will be sold,  
99 the years in which the Bonds will mature, the principal amount of Bonds to mature in each of  
100 such years, that portion of the Bonds, if any, to be issued as capital appreciation bonds and the  
101 maturity amount of any Bonds issued as capital appreciation bonds, the rate or rates of interest to  
102 be borne by or accrue on each maturity, the interest payment periods and interest payment dates,  
103 the record date, the dates, prices, and terms upon and at which the Bonds shall be subject to  
104 redemption (including provisions for optional and mandatory redemption), and all other terms,  
105 details and matters relating to the Bonds and their issuance, sale and delivery, including, without  
106 limitation, obtaining a municipal bond insurance policy in support of the Bonds, all of which  
107 shall be specified in the Bond Purchase Agreement; *provided*, that (i) the price to be paid for the

108 Bonds shall not be less than 95% of the aggregate principal amount of the Bonds sold, plus  
109 accrued interest, if any, (ii) the Bonds shall not bear interest at a rate greater than the maximum  
110 rate allowed by Chapter 1204, (iii) the Bonds shall not have a final maturity beyond September  
111 1, 2049, and (iv) prior to the execution of the Bond Purchase Agreement by an Authorized  
112 Representative, the Bonds shall be rated by a nationally recognized rating agency for municipal  
113 securities in one of the four highest rating categories for long-term debt instruments.

114 An Authorized Representative may approve modifications to this Ordinance to conform  
115 to the terms of the Bonds, as approved by the Authorized Representative, and execute any  
116 instruments, agreements and other documents as the Authorized Representative shall deem  
117 necessary or appropriate in connection with the issuance, sale and delivery of Bonds pursuant to  
118 this Ordinance.

119 It is in the best interests of the City for the Bonds to be sold through a negotiated sale,  
120 and Council authorizes each Authorized Representative, individually but not collectively, to  
121 execute the Bond Purchase Agreement to evidence the acceptance by the City of the terms and  
122 conditions relating to the sale of the Bonds, at the price the Authorized Representative executing  
123 the Bond Purchase Agreement determines to be the most advantageous to the City. The  
124 conditions set forth in PART 12 of this Ordinance must be met prior to any Authorized  
125 Representative executing the Bond Purchase Agreement.

126 The authority of an Authorized Representative to execute a Bond Purchase Agreement  
127 shall expire at 11:59 p.m. on the Expiration Date. Bonds sold pursuant to a Bond Purchase  
128 Agreement executed on or before the Expiration Date may be delivered after the Expiration  
129 Date.

130 In establishing the aggregate principal amount of the Bonds of any series, the Authorized  
131 Representative shall establish an amount which shall be sufficient (together with any premium  
132 received from the sale of the Bonds) to provide for the purposes for which the Bonds are  
133 authorized. The Bonds shall be sold at such price, with and subject to such terms, as set forth in  
134 the Bond Purchase Agreement.

135 (c) Any finding or determination made by an Authorized Representative relating to  
136 the issuance and sale of the Bonds and the execution of the Bond Purchase Agreement shall have  
137 the same force and effect as a finding or determination made by Council.

138 **PART 5. REDEMPTION PROVISIONS.**

139 (a) The Bonds may be subject to redemption, at the option of the City, prior to their  
140 stated maturities to the extent and in the manner provided in the Bond Purchase Agreement. The  
141 years of maturity of the Bonds called for redemption at the option of the City prior to their stated  
142 maturity shall be selected by the City. The Bonds or any portion redeemed within a maturity  
143 shall be selected by lot, or other customary random selection method, by the Paying  
144 Agent/Registrar; provided, that during any period in which ownership of the Bonds is determined  
145 only by a book entry at DTC, if fewer than all of the Bonds of the same maturity and bearing the  
146 same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such  
147 interest rate shall be selected in accordance with the arrangements between the City and DTC.

148 (b) The Bonds may be subject to mandatory sinking fund redemption prior to their  
149 stated maturities, to the extent and in the manner provided in the Bond Purchase Agreement.

150 (c) At least 30 days before the date fixed for redemption, the City shall cause a  
151 written notice of the redemption to be deposited in the United States mail, first-class postage  
152 prepaid, addressed to each Registered Owner at the address shown on the Registration Books.  
153 By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar  
154 for the payment of the required redemption price for the Bonds which are to be redeemed, plus  
155 accrued interest to the date fixed for redemption. If the notice of redemption is given, and if  
156 provision for payment is made, all as provided above, the Bonds, or the portions of the Bonds,  
157 which are to be redeemed, automatically shall be redeemed prior to their scheduled maturities,  
158 and shall not bear interest after the date fixed for their redemption, and shall not be regarded as  
159 outstanding except for the right of the Registered Owner to receive the redemption price plus  
160 accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the  
161 funds provided for payment. The Paying Agent/Registrar shall record in the Registration Books  
162 all redemptions of principal of the Bonds or any portion of the principal. If a portion of any  
163 Bond shall be redeemed, one or more substitute Bonds having the same maturity date, bearing  
164 interest at the same rate, in any Authorized Denomination, at the written request of the  
165 Registered Owner, and in an aggregate principal amount equal to the unredeemed portion of the  
166 Bonds, will be issued to the Registered Owner upon the surrender for cancellation, at the expense  
167 of the City, all as provided in this Ordinance. In addition, the City shall cause the Paying  
168 Agent/Registrar to give notice of any redemption in the manner set forth in PART 5. The failure  
169 to cause notice to be given, however, or any defect in the notice, shall not affect the validity or  
170 effectiveness of the redemption. Unless the Paying Agent/Registrar has received funds sufficient  
171 to pay the redemption price of the Bonds to be redeemed before giving of a notice of redemption,  
172 the notice of redemption may state the City may condition redemption on the receipt by the  
173 Paying Agent/Registrar of sufficient funds on or before the date fixed for the redemption, or on  
174 the satisfaction of any other prerequisites set forth in the notice of redemption. If a notice of  
175 conditional redemption is given and such prerequisites to the redemption and sufficient funds are  
176 not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and  
177 the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption  
178 was given, that the Bonds have not been redeemed.

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180 (d) If a notice of redemption is given and sufficient funds are not received for the  
181 payment of the required redemption price for the Bonds which are to be redeemed, the notice  
182 shall be of no force and effect, the City shall not redeem the Bonds, and the Paying  
183 Agent/Registrar shall give notice, in the manner in which the notice of redemption was given,  
184 that the Bonds have not been redeemed.

185 (e) Each redemption notice required by this Ordinance shall contain a description of  
186 the Bonds to be redeemed, including the complete name of the Bonds, the series, the date of  
187 issue, the interest rate, the maturity date, the CUSIP number, the amounts of the Bonds called for  
188 redemption, the date of redemption, the redemption price, the name of the Paying  
189 Agent/Registrar and the address at which the Bond may be redeemed, including a contact person  
190 and telephone number. This notice may also state that the redemption is conditioned upon  
191 receipt of sufficient funds for the payment of the required redemption price for the Bonds which  
192 are to be redeemed by the date fixed for redemption. All redemption payments made by the  
193 Paying Agent/Registrar to the Registered Owners of the Bonds shall include CUSIP numbers  
194 relating to each amount paid to such Registered Owner.

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**PART 6. INTEREST.**

The Bonds shall bear interest at the rates per annum set forth in the Bond Purchase Agreement. The interest shall be payable to the Registered Owner of any Bond in the manner provided and on the dates stated in the Bond Purchase Agreement. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

**PART 7. ADDITIONAL CHARACTERISTICS OF THE BONDS.**

(a) The City shall keep, or cause to be kept, at the Designated Payment/Transfer Office, the Registration Books, and the Paying Agent/Registrar named in the Paying Agent/Registrar Agreement shall act as the registrar and transfer agent for the City to keep books or records and make the transfers and registrations under the reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make transfers and registrations as provided in this Ordinance. It shall be the duty of the Paying Agent/Registrar to obtain from the Registered Owner and record in the Registration Books the address of the Registered Owner to which payments with respect to the Bonds shall be mailed, as provided in this Ordinance. The City, or its designee, shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. Ownership of each Bond may be transferred in the Registration Books only upon presentation and surrender of the Bond to the Paying Agent/Registrar for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing the assignment of the Bond, or any portion of the Bond, in any Authorized Denomination, to the assignee or assignees, and the right of the assignee or assignees to have the Bond or any portion of the Bond registered in the name of the assignee or assignees. Upon the assignment and transfer of any Bond, a new substitute obligation or obligations shall be issued in exchange for the Bond in the manner provided in this Ordinance.

(b) The entity in whose name any Bond shall be registered in the Registration Books at any time shall be treated as the absolute owner of the Bond for all purposes of this Ordinance, whether the Bond shall be overdue, and the City and the Paying Agent/Registrar shall not be affected by any notice to the contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any Bond shall be made only to the Registered Owner. All payments shall be valid and effectual to satisfy and discharge the liability on the Bond to the extent of the sum or sums so paid.

(c) The Paying Agent/Registrar named in the Paying Agent/Registrar Agreement shall act as the paying agent for paying the principal of, premium, if any, and interest on, the Bonds, and to act as the agent of the City to exchange or replace Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bonds, and of all exchanges and replacements, as provided in this Ordinance.

(d) Each Bond may be exchanged for fully registered obligations as set forth in this Ordinance. Each Bond issued and delivered pursuant to this Ordinance, to the extent of the unredeemed principal amount, may, upon surrender at the Designated Payment/Transfer Office, together with a written request duly executed by the Registered Owner or its assignee or assignees, or its or their duly authorized attorneys or representatives, with guarantee of

239 signatures satisfactory to the Paying Agent/Registrar, at the option of the Registered Owner or its  
240 assignee or assignees, as appropriate, be exchanged for fully registered obligations, without  
241 interest coupons, in the form prescribed in the Form of Bond, in any Authorized Denomination  
242 (subject to the requirement stated below that each substitute Bond shall have a single stated  
243 maturity date), as requested in writing by the Registered Owner or its assignee or assignees, in an  
244 aggregate principal amount equal to the unredeemed principal amount of any Bond or Bonds so  
245 surrendered, and payable to the appropriate Registered Owner, assignee, or assignees. If a  
246 portion of any Bond is assigned and transferred, each Bond issued in exchange shall have the  
247 same maturity date and bear interest at the same rate as the Bond for which it is being  
248 exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each  
249 other Bond. The Paying Agent/Registrar shall exchange or replace Bonds as provided in this  
250 Ordinance, and each fully registered Bond delivered in exchange for or replacement of any Bond  
251 or portion of a Bond as permitted or required by any provision of this Ordinance shall constitute  
252 one of the Bonds for all purposes of this Ordinance, and may again be exchanged or replaced.  
253 Any Bond delivered in exchange for or replacement of another Bond before the first scheduled  
254 interest payment date on the Bonds (as stated on the face of the Bond) shall be dated the same  
255 date, but each substitute Bond delivered on or after the first scheduled interest payment date shall  
256 be dated the interest payment date preceding the date on which the substitute Bond is delivered,  
257 unless the substitute Bond is delivered on an interest payment date, in which case it shall be  
258 dated as of the date of delivery; however, if at the time of delivery of any substitute Bond the  
259 interest on the Bond for which it is being exchanged has not been paid, then the substitute Bond  
260 shall be dated the date to which interest has been paid in full. On each substitute Bond issued in  
261 exchange for or replacement of any Bond issued under this Ordinance there shall be printed on  
262 the Bond the Authentication Certificate. An authorized representative of the Paying  
263 Agent/Registrar shall, before the delivery of any substitute Bond, date the substitute Bond in the  
264 manner set forth above, and manually sign and date the Authentication Certificate, and no  
265 substitute Bond shall be considered to be issued or outstanding unless the Authentication  
266 Certificate is executed. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered  
267 for exchange or replacement. No additional ordinances, orders, or resolutions need be passed or  
268 adopted by Council or any other body or person to accomplish the exchange or replacement of  
269 any Bond, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery  
270 of the substitute Bonds in the manner prescribed in this Ordinance. Pursuant to Chapter 1206,  
271 the duty of exchange or replacement of any Bond is imposed on the Paying Agent/Registrar, and,  
272 upon the execution of the Authentication Certificate, the exchanged or replaced obligation shall  
273 be valid, incontestable, and enforceable in the same manner and with the same effect as the  
274 Bonds which originally were delivered pursuant to this Ordinance, approved by the Texas  
275 Attorney General, and registered by the Texas Comptroller of Public Accounts. Neither the City  
276 nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond selected for  
277 redemption, in whole or in part, within 45 calendar days of the date fixed for redemption;  
278 provided, however; the limitation of transfer shall not be applicable to an exchange by the  
279 Registered Owner of the uncalled principal of a Bond.

280 (e) All Bonds issued in exchange or replacement of any other Bond or portion of a  
281 Bond (i) shall be issued in fully registered form, without interest coupons, with the principal of  
282 and interest on the Bonds to be payable only to the Registered Owners, (ii) may be redeemed  
283 prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be exchanged  
284 for other Bonds, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) the  
285 principal of and interest on the Bonds shall be payable, all as provided, and in the manner  
286 required or indicated in this Ordinance and the Bond Purchase Agreement.

287 (f) The City shall pay the Paying Agent/Registrar's reasonable and customary fees  
288 and charges for making transfers of Bonds, but the Registered Owner of any Bond requesting the  
289 transfer shall pay any taxes or other governmental charges required for the transfer. The  
290 Registered Owner of any Bond requesting any exchange shall pay the Paying Agent/Registrar's  
291 reasonable and standard or customary fees and charges for exchanging any Bond or a portion of  
292 a Bond, together with any required taxes or governmental charges, all as a condition precedent to  
293 the exercise of the privilege of exchange, except in the case of the exchange of an assigned and  
294 transferred Bond or Bonds or any portion or portions in any Authorized Denomination, the fees  
295 and charges will be paid by the City. In addition, the City covenants with the Registered Owners  
296 of the Bonds that it will (i) pay the reasonable and standard or customary fees and charges of the  
297 Paying Agent/Registrar for its services with respect to the payment of the principal of and  
298 interest on the Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar  
299 for services with respect to the transfer or registration of Bonds, and with respect to the exchange  
300 of Bonds solely to the extent stated above.

301 (g) An Authorized Representative is authorized to execute and deliver the Paying  
302 Agent/Registrar Agreement. The City covenants with the Registered Owners of the Bonds that  
303 at all times while the Bonds are outstanding the City will provide a competent and legally  
304 qualified bank, trust company, or other entity duly qualified and legally authorized to act as and  
305 perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the  
306 Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option,  
307 change the Paying Agent/Registrar upon not less than 60 days' written notice to the Paying  
308 Agent/Registrar. In the event that the entity at any time acting as Paying Agent/Registrar (or its  
309 successor by merger, acquisition, or other method) should resign or otherwise stop acting as  
310 such, the City covenants that it will promptly appoint a competent and legally qualified national  
311 or state banking institution organized and doing business under the laws of the United States of  
312 America or of any state, authorized under the laws to exercise trust powers, subject to  
313 supervision or examination by federal or state authority, and whose qualifications substantially  
314 are similar to the previous Paying Agent/Registrar to act as Paying Agent/Registrar under this  
315 Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar  
316 promptly shall transfer and deliver the Registration Books (or a copy of these Registration  
317 Books), along with all other pertinent books and records relating to the Bonds, to the new Paying  
318 Agent/Registrar designated and appointed by the City. Upon any change in the Paying  
319 Agent/Registrar, the City promptly will cause a written notice to be sent by the new Paying  
320 Agent/Registrar to each Registered Owner of the Bonds, by United States mail, first-class  
321 postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By  
322 accepting the position and performing as such, each Paying Agent/Registrar shall be considered  
323 to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be  
324 delivered to each Paying Agent/Registrar.

325 **PART 8. FORM OF BONDS.**

326 The Bonds shall be signed with the manual or facsimile signatures of the Mayor and the  
327 City Clerk, and the seal of the City shall be affixed or impressed on the Bonds. The form of all  
328 Bonds, including the form of the Comptroller's Registration Certificate to accompany the Bonds  
329 on the initial delivery, the form of the Authentication Certificate, and the Form of Assignment to  
330 be printed on each Bond, shall be, respectively, substantially in the form set forth in Exhibit A,  
331 with such appropriate variations, omissions, or insertions as are permitted or required by this  
332 Ordinance and the Bond Purchase Agreement.

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**PART 9. LEVY OF TAX; INTEREST AND SINKING FUND.**

334 (a) The Interest and Sinking Fund (which may include the designation or title by  
335 which a series of Bonds shall be known, as determined pursuant to PART 4(b) of this Ordinance)  
336 is created and it shall be established and maintained at an official depository of the City. The  
337 Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of  
338 the City, and shall be used only for paying the interest on and principal of the Bonds. All ad  
339 valorem taxes levied and collected for and on account of the Bonds shall be deposited, as  
340 collected, to the credit of the Interest and Sinking Fund. During each year while any Bond is  
341 outstanding and unpaid, Council shall compute and ascertain the rate and amount of ad valorem  
342 tax, based on the latest approved tax rolls of the City, with full allowances being made for tax  
343 delinquencies and costs of tax collections, which will be sufficient to raise and produce the  
344 money required to pay the interest on the Bonds as the interest comes due, and to provide a  
345 sinking fund to pay the principal (including mandatory sinking fund redemption payments, if  
346 any) of the Bonds as the principal matures, but never less than 2% of the outstanding principal  
347 amount of the Bonds as a sinking fund each year. The rate and amount of ad valorem tax needed  
348 to fund this obligation is ordered to be and is hereby levied against all taxable property in the  
349 City for each year while any Bond is outstanding and unpaid, and the ad valorem tax shall be  
350 assessed and collected each year and deposited to the credit of the Interest and Sinking Fund.  
351 The ad valorem taxes necessary to pay the interest on and principal of the Bonds, as the interest  
352 comes due, and the principal matures or comes due through operation of the mandatory sinking  
353 fund redemption, if any, as provided in the Bond Purchase Agreement, are pledged for this  
354 purpose, within the limit set by law. The City appropriates from current funds on hand, and  
355 directs the transfer for deposit into the Interest and Sinking Fund, moneys as may be necessary to  
356 pay debt service on the Bonds scheduled to occur prior to receipt of taxes levied to pay such debt  
357 service. Money in the Interest and Sinking Fund, at the option of the City, may be invested in  
358 the securities or obligations as permitted under applicable law and the City's investment policy.  
359 Any securities or obligations in which money is invested shall be kept and held in trust for the  
360 benefit of the owners of the Bonds and shall be sold and the proceeds of sale shall be timely  
361 applied to the making of all payments required to be made from the Interest and Sinking Fund.  
362 Interest and income derived from the investment of money in the Interest and Sinking Fund shall  
363 be credited to the Interest and Sinking Fund.

364 (b) Should more than one series of Bonds be sold under authority of this Ordinance, a  
365 separate interest and sinking fund will be created and maintained at an official depository of the  
366 City to secure each series of Bonds.

367 (c) Chapter 1208 applies to the issuance of the Bonds and the pledge of ad valorem  
368 taxes made under PART 9(a) of this Ordinance, and the pledge is valid, effective, and perfected.  
369 If Texas law is amended at any time while any Bond is outstanding and unpaid so that the pledge  
370 of ad valorem taxes made by the City under PART 9(a) of this Ordinance is to be subject to the  
371 filing requirements of Chapter 9, then to preserve to the Registered Owners of the Bonds the  
372 perfection of the security interest in the pledge, the City agrees to take measures as it determines  
373 are reasonable and necessary under Texas law to comply with the applicable provisions of  
374 Chapter 9 and enable a filing to perfect the security interest in the pledge.

375 **PART 10. DAMAGED, LOST, STOLEN OR DESTROYED BONDS.**

376 (a) In the event any outstanding Bond is damaged, mutilated, lost, stolen, or  
377 destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered a new

378 bond of the same principal amount, maturity, and interest rate as the damaged, mutilated, lost,  
379 stolen, or destroyed Bond, in replacement for the Bond in the manner provided in this  
380 Ordinance.

381 (b) Application for replacement of any damaged, mutilated, lost, stolen, or destroyed  
382 Bond shall be made to the Paying Agent/Registrar. In every case of loss, theft, or destruction of  
383 a Bond, the applicant for a replacement obligation shall furnish to the City and to the Paying  
384 Agent/Registrar the security or indemnity as may be required by them to save each of them  
385 harmless from any loss or damage with respect to the Bond. Also, in every case of loss, theft, or  
386 destruction of a Bond, the applicant shall furnish to the City and to the Paying Agent/Registrar  
387 evidence to their satisfaction of the loss, theft, or destruction of the Bond. In every case of  
388 damage or mutilation of a Bond, the applicant shall surrender to the Paying Agent/Registrar for  
389 cancellation the damaged or mutilated Bond.

390 (c) Notwithstanding clauses (a) and (b), in the event any Bond shall have matured,  
391 and there is no continuing default in the payment of the principal of, premium, if any, or interest  
392 on the Bond, the City may authorize its payment (without surrender except in the case of a  
393 damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or  
394 indemnity is furnished as above provided in this PART.

395 (d) Prior to the issuance of any replacement Bond, the Paying Agent/Registrar shall  
396 charge the owner of the Bond with all legal, printing, and other expenses in connection with the  
397 replacement. Every replacement Bond issued pursuant to the provisions of this Ordinance by  
398 virtue of the fact that any Bond is damaged, mutilated, lost, stolen, or destroyed shall constitute a  
399 contractual obligation of the City whether the damaged, mutilated, lost, stolen, or destroyed  
400 Bond shall be found, or be enforceable by anyone, and shall be entitled to all the benefits of this  
401 Ordinance equally and proportionately with any and all other Bonds duly issued under this  
402 Ordinance.

403 (e) In accordance with Chapter 1206, this PART constitutes authority for the issuance  
404 of any such replacement Bond without necessity of further action by Council or any other body  
405 or person, and the duty of the replacement of the Bonds is authorized and imposed on the Paying  
406 Agent/Registrar, subject to the conditions imposed by this PART, and the Paying  
407 Agent/Registrar shall authenticate and deliver the Bonds in the form and manner and with the  
408 effect, as provided in PART 7(d) of this Ordinance for Bonds issued in exchange for other  
409 Bonds.

410 **PART 11. SUBMISSION OF PROCEEDINGS TO ATTORNEY GENERAL.**

411 The Mayor, or his designee, and each Authorized Representative, is authorized to have  
412 control of the Bonds and all necessary records and proceedings pertaining to the Bonds pending  
413 their delivery and their investigation, examination and approval by the Texas Attorney General  
414 and their registration by the Texas Comptroller of Public Accounts. Upon registration of the  
415 Bonds, the Comptroller (or a deputy designated in writing to act for the Comptroller) shall  
416 manually sign the Comptroller's Registration Certificate accompanying the Bonds, and the seal  
417 of the Comptroller shall be impressed, or placed in facsimile, on each certificate. After  
418 registration by the Comptroller, delivery of the Bonds shall be made to the Underwriters, under  
419 and subject to the general supervision and direction of the Mayor or an Authorized  
420 Representative, against receipt by the City of all amounts due to the City under the terms of sale.  
421 Council authorizes the payment of the fee of the Office of the Attorney General of the State of

422 Texas for the examination of the proceedings relating to the issuance of the Bonds, in the amount  
423 determined in accordance with the provisions of Section 1202.004, Texas Government Code.

424  
425 **PART 12. SALE OF BONDS; OFFICIAL STATEMENT.**

426 (a) The Bonds shall be sold to the Underwriters at the price set forth in the Bond  
427 Purchase Agreement, and delivery of the Bonds to the Underwriters shall be made upon receipt  
428 of payment in accordance with the terms of the Bond Purchase Agreement. An Authorized  
429 Representative is authorized and directed to execute the Bond Purchase Agreement on behalf of  
430 the City, and the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, City Clerk, and  
431 all other officials, agents and representatives of the City are authorized to execute and deliver  
432 any agreements, certificates, instruments and other documents, and do any and all things  
433 necessary or desirable to satisfy the conditions set out in the documents, to provide for the  
434 issuance and delivery of the Bonds.

435 (b) Council ratifies, authorizes and approves, in connection with the sale of the  
436 Bonds, the preparation and distribution of the Preliminary Official Statement and a final Official  
437 Statement, substantially in the form of the Preliminary Official Statement, containing additional  
438 information and amendments as may be necessary to conform to the terms of the Bonds, this  
439 Ordinance and the Bond Purchase Agreement, and the Preliminary Official Statement is deemed  
440 final as of its date within the meaning and for the purposes of paragraph (b)(1) of the Rule. An  
441 Authorized Representative is authorized to approve amendments and supplements to the Official  
442 Statement as either of them shall deem necessary or appropriate. The Mayor and City Clerk are  
443 authorized to execute the final Official Statement by manual, facsimile or electronic signature  
444 and/or to deliver a certificate pertaining to the final Official Statement as prescribed in the  
445 Official Statement, dated as of the date of payment for and delivery of the Bonds.

446 (c) The Mayor, Mayor Pro Tem, City Manager, City Clerk, Chief Financial Officer  
447 and all other officials, agents and representatives of the City are authorized to take actions as any  
448 officer, official, agent or representative shall approve in seeking ratings on the Bonds from one  
449 or more nationally recognized statistical ratings organizations, or any confirmation of ratings  
450 issued by a rating agency, and these actions are ratified and confirmed.

451 (d) Proceeds from the sale of the Bonds shall be disbursed in the amounts and for the  
452 purposes set forth in the closing letter of instructions. An Authorized Representative may  
453 provide for the establishment of any fund, account or subaccount as deemed necessary or  
454 appropriate for the safekeeping and administration of proceeds from the sale of the Bonds  
455 pending their disbursement for authorized purposes.

456 (e) An Authorized Representative shall not execute the Bond Purchase Agreement  
457 unless the each of the Underwriters has confirmed to an Authorized Representative that either it  
458 has made disclosure filings to the Texas Ethics Commission in accordance with Section  
459 2252.908, Texas Government Code or is exempt from making filings under Section  
460 2252.908(c)(4), Texas Government Code. Within 30 days of receipt of the execution of the  
461 Bond Purchase Agreement, disclosure filings received from any of the Underwriters will be  
462 submitted by the City to the Texas Ethics Commission.

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**PART 13. BONDS NOT ISSUED AS TAX EXEMPT OBLIGATIONS.**

The City does not intend to issue the Bonds in a manner such that the Bonds would constitute obligations described in section 103(a) of the Code and all applicable temporary, proposed and final regulations and procedures promulgated thereunder or promulgated under the Internal Revenue Code of 1954, to the extent applicable to the Code.

**PART 14. CONTINUING DISCLOSURE OBLIGATION.**

(a) *Annual Reports.*

(i) The City shall provide annually to the MSRB, (A) within six months after the end of each fiscal year of the City, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by PART 12 of this Ordinance, being information of the type described in the final Official Statement, including financial statements of the City if audited financial statements of the City are then available, and (B) if not provided as part of the financial information and operating data, audited financial statements of the City, when and if available. Any financial statements to be provided shall be (x) prepared in accordance with the accounting principles described in the final Official Statement, or other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the final Official Statement, and (y) audited, if the City commissions an audit of the financial statements and the audit is completed within the period during which they must be provided. If the audit of the financial statements is not complete within 12 months after any fiscal year end, then the City shall file unaudited financial statements within the 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on the financial statements becomes available.

(ii) If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) before the next date the City would be required to provide financial information and operating data pursuant to this PART.

The financial information and operating data to be provided pursuant to this PART may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's website or filed with the SEC. Filings shall be made electronically, accompanied by identifying information as prescribed by the MSRB.

(b) *Disclosure Event Notices.* The City shall notify the MSRB in an electronic format prescribed by the MSRB, in a timely manner not in excess of 10 Business Days after the occurrence of the event, of any of the following events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;

- 506 (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of  
507 proposed or final determinations of taxability, Notices of Proposed Issue  
508 (IRS Form 5701-TEB) or other material notices or determinations with  
509 respect to the tax status of the Bonds, or other material events affecting the  
510 tax status of the Bonds;
- 511 (vii) Modifications to rights of holders of the Bonds, if material;
- 512 (viii) Bond calls, if material, and tender offers;
- 513 (ix) Defeasances;
- 514 (x) Release, substitution, or sale of property securing repayment of the Bonds,  
515 if material;
- 516 (xi) Rating changes;
- 517 (xii) Bankruptcy, insolvency, receivership or similar event of the City;
- 518 (xiii) The consummation of a merger, consolidation, or acquisition involving the  
519 City or the sale of all or substantially all of the assets of the City, other  
520 than in the ordinary course of business, the entry into a definitive  
521 agreement to undertake such an action or the termination of a definitive  
522 agreement relating to any such actions, other than pursuant to its terms, if  
523 material;
- 524 (xiv) Appointment of a successor Paying Agent/Registrar or change in the name  
525 of the Paying Agent/Registrar, if material;
- 526 (xv) Incurrence of a Financial Obligation of the Obligated Person, if material,  
527 or agreement to covenants, events of default, remedies, priority rights, or  
528 other similar terms of a Financial Obligation of the Obligated Person, any  
529 of which affect security holders, if material; and
- 530 (xvi) Default, event of acceleration, termination event, modification of terms, or  
531 other similar event under the terms of a Financial Obligation of the  
532 Obligated Person, and which reflect financial difficulties.

533 The City shall notify the MSRB in an electronic format prescribed by the MSRB, in a  
534 timely manner, of any failure by the City to provide financial information or operating data in  
535 accordance with subsection (a) of this PART by the time required by subsection (a).

536 As used in clause (xii) above, the phrase “bankruptcy, insolvency, receivership or similar  
537 event” means the appointment of a receiver, fiscal agent or similar officer for the City in a  
538 proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law  
539 in which a court or governmental authority has assumed jurisdiction over substantially all of the  
540 assets or business of the City, or if jurisdiction has been assumed by leaving Council and  
541 officials or officers of the City in possession but subject to the supervision and orders of a court  
542 or governmental authority, or the entry of an order confirming a plan of reorganization,  
543 arrangement or liquidation by a court or governmental authority having supervision or  
544 jurisdiction over substantially all of the assets or business of the City.

545 As used in clauses (xv) and (xvi) above, the term "Financial Obligation" means: (i) a debt  
546 obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a  
547 source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii);  
548 however, the term Financial Obligation shall not include Municipal Securities as to which a final  
549 official statement has been provided to the MSRB consistent with the Rule; the term "Municipal  
550 Securities" means securities which are direct obligations of, or obligations guaranteed as to  
551 principal or interest by, a state or any political subdivision thereof, or any agency or  
552 instrumentality of a state or any political subdivision thereof, or any municipal corporate

553 instrumentality of one or more states and any other Municipal Securities described by Section  
554 3(a)(29) of the Securities Exchange Act of 1934, as the same may be amended from time to time;  
555 and the term "Obligated Person" means the City.

556  
557 (c) *Limitations, Disclaimers, and Amendments.* The City shall be obligated to  
558 observe and perform the covenants named in this PART for only so long as the City remains an  
559 "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City  
560 will give written notice of any deposit made in accordance with this Ordinance, or applicable  
561 law, that causes any Bond no longer to be outstanding.

562 The provisions of this PART are for the sole benefit of the holders and beneficial owners  
563 of the Bonds, and nothing in this PART, express or implied, shall give any benefit or any legal or  
564 equitable right, remedy, or claim to any other person. The City undertakes to provide only the  
565 financial information, operating data, financial statements, and notices which it has expressly  
566 agreed to provide pursuant to this PART and does not undertake to provide any other  
567 information that may be relevant or material to a complete presentation of the City's financial  
568 results, condition, or prospects or to update any information provided in accordance with this  
569 PART or otherwise, except as expressly provided in this Ordinance. The City does not make any  
570 representation or warranty concerning the information or its usefulness to a decision to invest in  
571 or sell Bonds at any future date.

572 UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER  
573 OR BENEFICIAL OWNER OF ANY OBLIGATION OR ANY OTHER PERSON, IN  
574 CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM  
575 ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS  
576 PART, OF ANY COVENANT SPECIFIED IN THIS PART, BUT EVERY RIGHT AND  
577 REMEDY OF ANY PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY  
578 BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC  
579 PERFORMANCE.

580 No default by the City in observing or performing its obligations under this PART shall  
581 comprise a breach of or default under this Ordinance for purposes of any other provision of this  
582 Ordinance. Nothing in this PART is intended or shall act to disclaim, waive, or otherwise limit  
583 the duties of the City under federal and state securities laws.

584 The provisions of this PART may be amended by the City from time to time to adapt to  
585 changed circumstances that arise from a change in legal requirements, a change in law, or a  
586 change in the identity, nature, status, or type of operations of the City, but only if (1) the  
587 provisions of this PART, as amended, would have permitted an underwriter to purchase or sell  
588 Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any  
589 amendments or interpretations of the Rule since the offering as well as the changed  
590 circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any  
591 greater amount required by any other provision of this Ordinance that authorizes an amendment)  
592 of the outstanding Bonds consent to the amendment or (b) a person that is unaffiliated with the  
593 City (such as nationally-recognized bond counsel) determines that the amendment will not  
594 materially impair the interest of the holders and beneficial owners of the Bonds. If the City  
595 amends the provisions of this PART, it shall include with the next financial information and  
596 operating data provided in accordance with subsection (a) of this PART an explanation, in  
597 narrative form, of the reason for the amendment and of the impact of any change in the type of  
598 financial information or operating data so provided. The City may also amend or repeal the

599 provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable  
600 provision of the Rule or a court of final jurisdiction enters judgment that the provisions of the  
601 Rule are invalid, but only if and to the extent that the provisions of this sentence would not  
602 prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the  
603 Bonds. Should the Rule be amended to obligate the City to make filings with or provide notices  
604 to entities other than the MSRB, the City agrees to undertake such obligation in accordance with  
605 the Rule as amended.

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#### **PART 15. DTC REGISTRATION.**

608 The Bonds initially shall be issued and delivered in the manner that no physical  
609 distribution of the Bonds will be made to the public, and DTC initially will act as depository for  
610 the Bonds. DTC has represented that it is a limited purpose trust company incorporated under  
611 the laws of the State of New York, a member of the Federal Reserve System, a “clearing  
612 corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing  
613 agency” registered under Section 17A of the Securities Exchange Act of 1934, as amended, and  
614 the City accepts, but in no way verifies, the representations of DTC. The Bonds initially  
615 authorized by this Ordinance intended to be held by DTC shall be delivered to and registered in  
616 the name of Cede & Co., the nominee of DTC. It is expected that DTC will hold the Bonds on  
617 behalf of the Purchasers and their participants. So long as each Bond is registered in the name of  
618 Cede & Co., the Paying Agent/Registrar shall treat and deal with DTC the same in all respects as  
619 if it were the actual and beneficial owner. It is expected that DTC will maintain a book-entry  
620 system, which will identify ownership of the Bonds in Authorized Denominations, with transfers  
621 of ownership being effected on the records of DTC and its participants pursuant to rules and  
622 regulations established by them, and that the Bonds initially deposited with DTC shall be  
623 immobilized and not be further exchanged for substitute Bonds except as set forth in this  
624 Ordinance. The City and the Paying Agent/Registrar are not responsible or liable for any  
625 functions of DTC, will not be responsible for paying any fees or charges with respect to its  
626 services, will not be responsible or liable for maintaining, supervising, or reviewing the records  
627 of DTC or its participants, or protecting any interests or rights of the beneficial owners of the  
628 Bonds. It shall be the duty of the DTC Participants, as defined in the Official Statement, to make  
629 all arrangements with DTC to establish this book-entry system, the beneficial ownership of the  
630 Bonds, and the method of paying the fees and charges of DTC. The City does not represent, nor  
631 does it in any way covenant that the initial book-entry system established with DTC will be  
632 maintained in the future. Notwithstanding the initial establishment of the foregoing book-entry  
633 system with DTC, if for any reason any of the originally delivered Bonds is duly filed with the  
634 Paying Agent/Registrar with proper request for transfer and substitution, as provided for in this  
635 Ordinance, substitute Bonds will be duly delivered as provided in this Ordinance, and there will  
636 be no assurance or representation that any book-entry system will be maintained for the Bonds.  
637 In connection with the initial establishment of the foregoing book-entry system with DTC, the  
638 City has executed a “Blanket Letter of Representations” prepared by DTC in order to implement  
639 the book-entry system described above.

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#### **PART 16. DEFEASANCE.**

641 (a) *Defeased Bonds.* Any Bond will be treated as a Defeased Bond, except to the  
642 extent provided in subsection (d) of this PART, when payment of the principal of the Bond, plus  
643 interest to the due date (whether the due date be by reason of maturity, redemption or otherwise)  
644 either (i) shall have been made or caused to be made in accordance with the terms of this  
645 Ordinance, or (ii) shall have been provided for on or before the due date by irrevocably

646 depositing with or making available to the Paying Agent/Registrar or any commercial bank or  
647 trust company authorized to serve as escrow agent for the Bonds in accordance with a Future  
648 Escrow Agreement for the payment of the Bond (1) lawful money of the United States of  
649 America sufficient to make the payment or (2) Defeasance Securities to mature as to principal  
650 and interest in the amounts and at the time as will ensure the availability, without reinvestment,  
651 of sufficient money to provide for the payment, and when proper arrangements have been made  
652 by the City with the Paying Agent/Registrar for the payment of its services until all Defeased  
653 Bonds shall have become due and payable. There shall be delivered to the Paying  
654 Agent/Registrar a certificate of a qualified financial professional or a report from a firm of  
655 certified public accountants evidencing the sufficiency of the deposit made pursuant to clause (ii)  
656 above. The Paying Agent/Registrar shall also receive an opinion of bond counsel acceptable to  
657 the City that reflects this payment does not adversely affect the exclusion under the Code of  
658 interest on the Defeased Bonds from the gross income of the holders for federal income taxation  
659 purposes. At the time as a Bond shall be considered to be a Defeased Bond, the Bond and the  
660 interest on that Bond shall no longer be secured by, payable from, or entitled to the benefits of  
661 the ad valorem taxes levied and pledged as provided in this Ordinance, and the principal and  
662 interest shall be payable solely from the money or Defeasance Securities.

663 (b) *Investment in Defeasance Securities.* Any funds deposited with the Paying  
664 Agent/Registrar may at the written direction of the City be invested in Defeasance Securities,  
665 maturing in the amounts and times as set forth in this Ordinance, and all income from these  
666 Defeasance Securities received by the Paying Agent/Registrar that is not required for the  
667 payment of the Bonds and interest, with respect to which money has been deposited, shall be  
668 turned over to the City, or deposited as directed in writing by the City. Any Future Escrow  
669 Agreement pursuant to which the money and/or Defeasance Securities are held for the payment  
670 of Defeased Bonds may contain provisions permitting the investment or reinvestment of the  
671 moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the  
672 satisfaction of the requirements described in subsections (a) (i) or (ii) of this PART. All income  
673 from the Defeasance Securities received by the Paying Agent/Registrar which is not required for  
674 the payment of the Defeased Bonds, with respect to which money has been so deposited, shall be  
675 remitted to the City or deposited as directed in writing by the City. The Paying Agent/Registrar  
676 shall not be liable for any loss pertaining to an investment executed in accordance with written  
677 instructions from the City.

678 (c) *Paying Agent/Registrar Services.* Until all Defeased Bonds shall have become  
679 due and payable, the Paying Agent/Registrar shall perform the services of Paying  
680 Agent/Registrar for the Defeased Bonds as if they had not been defeased, and the City shall  
681 make proper arrangements to provide and pay for the services as required by this Ordinance.

682 (d) *Selection of Bonds for Defeasance.* In the event that the City elects to defease less  
683 than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select,  
684 or cause to be selected, the amount of Bonds by the random method as it considers fair and  
685 appropriate.

686 **PART 17. DEFAULT AND REMEDIES.**

687 (a) *Events of Default.* Each of the following occurrences or events is an Event of  
688 Default:

689 (i) the failure to pay the principal of or interest on any Bond when it becomes  
690 due and payable; or

691 (ii) default in the performance or observance of any other covenant,  
692 agreement or obligation of the City, the failure to perform which materially, adversely  
693 affects the rights of the Registered Owners of the Bonds, including their prospect or  
694 ability to be repaid in accordance with this Ordinance, and the continuation for a period  
695 of 60 days after notice of the default is given by any Registered Owner to the City.

696 (b) *Remedies for Default.*

697 (i) When any Event of Default occurs, any Registered Owner or the  
698 Registered Owner's authorized representative, including a trustee or trustees, may  
699 proceed against the City, or any official, officer or employee of the City in their official  
700 capacity, for the purpose of protecting and enforcing the rights of the Registered Owners  
701 under this Ordinance, by mandamus or other suit, action or special proceeding in equity  
702 or at law, in any court of competent jurisdiction, for any relief permitted by law,  
703 including the specific performance of any covenant or agreement contained in this  
704 Ordinance, or to enjoin any act or thing that may be unlawful or in violation of any right  
705 of the Registered Owners or any combination of remedies only as authorized by law.

706 (ii) All default proceedings shall be instituted and maintained for the equal  
707 benefit of all Registered Owners of outstanding Bonds.

708 (c) *Remedies Not Exclusive.*

709 (i) No remedy in this Ordinance is exclusive of any other available remedy,  
710 but each remedy shall be cumulative and shall be in addition to every other remedy given  
711 in this Ordinance or under the Bonds; however, there is no right to accelerate the debt  
712 evidenced by the Bonds.

713 (ii) The exercise of any remedy in this Ordinance shall not be considered a  
714 waiver of any other available remedy.

715 (iii) By accepting the delivery of a Bond authorized under this Ordinance, the  
716 Registered Owner agrees that the certifications required to effect any covenants or  
717 representations contained in this Ordinance do not and shall never constitute or give rise  
718 to a personal or pecuniary liability or charge against the officers or employees of the City  
719 or Council.

720 (iv) None of the members of Council, nor any other official or officer, agent,  
721 or employee of the City, shall be charged personally by the Registered Owners with any  
722 liability, or be held personally liable to the Registered Owners under any term or  
723 provision of this Ordinance, or because of any Event of Default or alleged Event of  
724 Default under this Ordinance.

725 **PART 18. OFFICIALS MAY ACT ON BEHALF OF THE CITY.**

726 (a) The Mayor, the Mayor Pro Tem, the City Clerk, the City Manager, any Assistant  
727 City Manager, the Chief Financial Officer, or any Deputy Chief Financial Officer, and all other  
728 officers, employees, and agents of the City, and each of them, shall be authorized, empowered,

729 and directed to do and perform all acts and things and to execute, acknowledge, and deliver in  
730 the name and under the seal and on behalf of the City all instruments as may be necessary or  
731 desirable in order to carry out the terms and provisions of this Ordinance, the Bonds, the Bond  
732 Purchase Agreement, the offering documents prepared in connection with the sale of the Bonds,  
733 or the Paying Agent/Registrar Agreement. In case any officer whose signature appears on any  
734 Bond shall stop being the officer before the delivery of the Bond, the signature shall nevertheless  
735 be valid and sufficient for all purposes as if he or she had remained in office until the delivery.

736 (b) The Mayor, the Mayor Pro Tem and any Authorized Representative are each  
737 authorized to make or approve such revisions, additions, deletions, and variations to this  
738 Ordinance that, in their judgment and in the opinion of Bond Counsel to the City, may be  
739 necessary or convenient to carry out or assist in carrying out the purposes of this Ordinance, the  
740 Bond Purchase Agreement, the Paying Agent/Registrar Agreement, the Preliminary Official  
741 Statement and the final Official Statement or as may be required for approval of the Bonds by  
742 the Attorney General of Texas.

743 (c) Any duty, responsibility, privilege, power or authority conferred by this  
744 Ordinance upon an officer shall extend to an individual who occupies such office in an interim,  
745 acting or provisional capacity.

746 **PART 19. RULES OF CONSTRUCTION.**

747 For all purposes of this Ordinance, unless the context requires otherwise, all references to  
748 designated PARTS and other subdivisions are to the PARTS and other subdivisions of this  
749 Ordinance. Except where the context otherwise requires, terms defined in this Ordinance to  
750 impart the singular number shall be considered to include the plural number and vice versa.  
751 References to any named person shall mean that party and his or her successors and assigns.  
752 Any duty, responsibility, privilege, power or authority conferred by this Ordinance upon an  
753 official or officer shall extend to an individual who occupies such office in an interim, acting or  
754 provisional capacity. References to any constitutional, statutory or regulatory provision means  
755 the provision as it exists on the date this Ordinance is adopted by the City. Any reference to the  
756 payment of principal in this Ordinance shall include the payment of any mandatory sinking fund  
757 redemption payments as described in this Ordinance. Any reference to "Form of Bond" refers to  
758 the form of the Bonds in Exhibit A to this Ordinance. The titles and headings of the PARTS and  
759 subsections of this Ordinance have been inserted for convenience of reference only and are not a  
760 part of this Ordinance and shall not in any way modify or restrict any of its terms or provisions.

761 **PART 20. CONFLICTING ORDINANCES REPEALED.**

762 All ordinances and resolutions or parts in conflict with this Ordinance are repealed.

763 **PART 21. IMMEDIATE EFFECT.**

764 In accordance with the provisions of Section 1201.028, Texas Government Code, this  
765 Ordinance is effective immediately upon its adoption by Council.

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**PASSED AND APPROVED AND EFFECTIVE AUGUST 22, 2019.**

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Steve Adler,  
Mayor, City of Austin, Texas

ATTEST:

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Jannette S. Goodall,  
City Clerk, City of Austin, Texas

(SEAL)

APPROVED:

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Anne L. Morgan,  
City Attorney, City of Austin, Texas

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**EXHIBIT A**  
Form of Bond

NO. R-\_\_\_ \$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF AUSTIN, TEXAS  
PUBLIC IMPROVEMENT BOND, TAXABLE SERIES 2019

Maturity Date      Interest Rate      Dated Date      CUSIP No.  
\_\_\_\_\_ 1, 20\_\_      \_\_\_\_\_%      October \_\_, 2019

ON THE MATURITY DATE SPECIFIED ABOVE, THE CITY OF AUSTIN, TEXAS (the "City"), in the Counties of Travis, Williamson and Hays, hereby promises to pay to

\_\_\_\_\_ or to the registered assignee hereof (either being hereinafter called the "registered owner") the principal amount of:

\_\_\_\_\_ DOLLARS

and to pay interest thereon, from the Dated Date specified above, to the Maturity Date specified above, or the date of its redemption prior to scheduled maturity, at the rate of interest per annum specified above, with said interest being payable on March 1, 2020, and semiannually on each September 1 and March 1 thereafter; except that if the Paying Agent/Registrar's Authentication Certificate appearing on the face of this Bond is dated later than March 1, 2020, such interest is payable semiannually on each September 1 and March 1 following such date.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity or redemption prior to maturity at the designated corporate trust office in \_\_\_\_\_, Texas (the "Designated Payment/Transfer Office") of \_\_\_\_\_, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof as shown by the Registration Books kept by the Paying Agent/Registrar at the close of business on the record date, which is the 15th day of the month next preceding such interest payment date by check, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof at its address as it appears on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. Any accrued interest due at maturity or upon redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Bond for redemption and payment at the Designated Payment/Transfer Office of the Paying Agent/Registrar. The City covenants with the registered owner of this Bond that no later than each principal payment and/or interest payment date for this Bond it will make available to the Paying Agent/Registrar from the Interest and Sinking Fund as defined by the

825 ordinance authorizing the Bonds (the “Ordinance”) the amounts required to provide for the  
826 payment, in immediately available funds, of all principal of, premium, if any, and interest on the  
827 Bonds, when due.

828 IN THE EVENT OF A NON-PAYMENT of interest on a scheduled payment date, and  
829 for thirty (30) days thereafter, a new record date for such interest payment (a “Special Record  
830 Date”) will be established by the Paying Agent/Registrar, if and when funds for the payment of  
831 such interest have been received from the City. Notice of the Special Record Date and of the  
832 scheduled payment date of the past due interest (“Special Payment Date,” which shall be fifteen  
833 (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the  
834 Special Record Date by United States mail, first-class postage prepaid, to the address of each  
835 registered owner of a Bond appearing on the registration books of the Paying Agent/Registrar at  
836 the close of business on the last business day next preceding the date of mailing of such notice.

837 IF THE DATE for the payment of the principal of, premium, if any, or interest on this  
838 Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the  
839 city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are  
840 authorized by law or executive order to close, then the date for such payment shall be the next  
841 succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking  
842 institutions are authorized to close; and payment on such date shall have the same force and  
843 effect as if made on the original date payment was due. Notwithstanding the foregoing, during  
844 any period in which ownership of the Bonds is determined only by a book entry at a securities  
845 depository for the Bonds, any payment to the securities depository, or its nominee or registered  
846 assigns, shall be made in accordance with existing arrangements between the City and the  
847 securities depository.

848 THIS BOND is one of a series of Bonds of like tenor and effect except as to number,  
849 principal amount, interest rate, maturity and option of redemption, dated as of the Dated Date  
850 specified above, authorized in accordance with the Constitution and laws of the State of Texas in  
851 the aggregate principal amount of \_\_\_\_\_, for the purpose of providing funds with which to  
852 (i) make and acquire various public improvements for the City, as described in the Ordinance,  
853 and (ii) pay the costs of issuance associated with the sale of the Bonds.

854 ON SEPTEMBER 1, 2029, or on any date thereafter, the Bonds of this series maturing on  
855 September 1, 2030, and thereafter may be redeemed prior to their scheduled maturities, at the  
856 option of the City, in whole, or in part, at a price equal to the principal amount thereof, plus  
857 accrued interest to the date fixed for redemption. The years of maturity of the Bonds called for  
858 redemption at the option of the City prior to stated maturity shall be selected by the City. The  
859 Bonds or portions thereof redeemed within a maturity shall be selected by lot or other customary  
860 random selection method by the Paying Agent/Registrar; provided, that during any period in  
861 which ownership of the Bonds is determined only by a book entry at a securities depository for  
862 the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate  
863 are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be  
864 selected in accordance with the arrangements between the City and the securities depository.

865 THE BONDS maturing on September 1, 20\_\_ (the “Term Bonds”) are subject to  
866 mandatory sinking fund redemption in part by lot or other customary random selection method  
867 pursuant to the terms of the Ordinance, on September 1 in the following years and in the  
868 following amounts, at a price equal to the principal amount thereof, plus accrued and unpaid  
869 interest to the date of redemption, without premium:

Year  
\*

Principal Amount (\$)

870  
871  
872

\* Final Maturity

873 THE PRINCIPAL AMOUNT of the Term Bonds required to be redeemed pursuant to the  
874 operation of such mandatory redemption provisions may be reduced, at the option of the City, by  
875 the principal amount of the Term Bonds of the same maturity which (i) have been acquired by  
876 the City with funds on deposit in the Interest and Sinking Fund for the Bonds at a price not  
877 exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase  
878 and delivered to the Paying Agent/Registrar for cancellation or (ii) have been redeemed pursuant  
879 to the optional redemption provisions above and not theretofore credited against a mandatory  
880 redemption requirement.

881 AT LEAST thirty (30) days prior to the date fixed for any redemption, a written notice of  
882 redemption shall be given to the registered owner of each Bond or a portion thereof being called  
883 for redemption by depositing such notice in the United States mail, first class postage prepaid,  
884 addressed to each such registered owner at his address shown on the Registration Books of the  
885 Paying Agent/Registrar. By the date fixed for any redemption due provision shall be made by  
886 the City with the Paying Agent/Registrar for the payment of the required redemption price for  
887 this Bond or the portion hereof which is to be so redeemed, plus accrued interest thereon to the  
888 date fixed for redemption. If notice of redemption is given, and if due provision for such  
889 payment is made, all as provided above, this Bond, or the portion hereof which is to be so  
890 redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not  
891 bear interest after the date fixed for its redemption, and shall not be regarded as being  
892 outstanding except for the right of the registered owner to receive the redemption price plus  
893 accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the  
894 funds provided for payment. The Paying Agent/Registrar shall record in the Registration Books  
895 all redemptions of principal of this Bond or any portion hereof. If a portion of any Bond shall be  
896 redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same  
897 rate, in any denomination or denominations in any integral multiple of \$5,000, at the written  
898 request of the registered owner, and in an aggregate principal amount equal to the unredeemed  
899 portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation,  
900 at the expense of the City, all as provided in the Ordinance. With respect to any optional  
901 redemption of the Bonds, unless certain prerequisites to such optional redemption required by the  
902 Ordinance have been met and money sufficient to pay the principal of, premium, if any, and  
903 interest on the Bonds to be redeemed will have been received by the Paying Agent/Registrar  
904 prior to giving such notice, such notice may state that the optional redemption will, at the option  
905 of the City, be conditional upon the satisfaction of such prerequisites and receipt of such money  
906 by the Paying Agent/Registrar on or prior to the date fixed for such redemption or upon any  
907 prerequisite set forth in the notice of redemption. If a notice of conditional redemption is given  
908 and such prerequisites to the redemption are not satisfied, such notice will be of no force and  
909 effect, the City will not redeem such Bonds and the Paying Agent/Registrar will give notice in  
910 the manner in which the notice of redemption was given, to the effect that such Bonds will not be  
911 redeemed.

912  
913 ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without  
914 interest coupons, in the denomination of any integral multiple of \$5,000 (an "Authorized  
915 Denomination"). As provided in the Ordinance, this Bond may, at the request of the registered  
916 owner or the assignee or assignees hereof, be assigned, transferred, and exchanged for a like

917 aggregate principal amount of fully registered bonds, without interest coupons, payable to the  
918 appropriate registered owner, assignee, or assignees, as the case may be, having the same  
919 maturity date, and bearing interest at the same rate, in any Authorized Denomination as  
920 requested in writing by the appropriate registered owner, assignee, or assignees, as the case may  
921 be, upon surrender of this Bond to the Paying Agent/Registrar at its Designated  
922 Payment/Transfer Office for cancellation, all in accordance with the form and procedures set  
923 forth in the Ordinance. Among other requirements for such assignment and transfer, this Bond  
924 must be presented and surrendered to the Paying Agent/Registrar, together with proper  
925 instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying  
926 Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any  
927 integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any  
928 such portion or portions hereof is or are to be transferred and registered. The form of  
929 Assignment printed or endorsed on this Bond may be executed by the registered owner to  
930 evidence the assignment hereof, but such method is not exclusive, and other instruments of  
931 assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of  
932 this Bond or any portion or portions hereof from time to time by the registered owner. The one  
933 requesting such exchange shall pay the Paying Agent/Registrar's reasonable standard or  
934 customary fees and charges for exchanging any Bond or portion thereof. The foregoing  
935 notwithstanding, in the case of the exchange of an assigned and transferred Bond or Bonds or  
936 any portion or portions thereof, such fees and charges of the Paying Agent/Registrar will be paid  
937 by the City. In any circumstance, any taxes or governmental charges required to be paid with  
938 respect thereto shall be paid by the one requesting such assignment, transfer, or exchange as a  
939 condition precedent to the exercise of such privilege. In any circumstance, neither the City nor  
940 the Paying Agent/Registrar shall be required to transfer or exchange any Bond so selected for  
941 redemption, in whole or in part, within forty-five (45) calendar days of the date fixed for  
942 redemption; provided, however, such limitation of transfer shall not be applicable to an exchange  
943 by the registered owner of the uncalled principal of a Bond.

944           WHENEVER the beneficial ownership of this Bond is determined by a book entry at a  
945 securities depository for the Bonds, the foregoing requirements of holding, delivering or  
946 transferring this Bond shall be modified to require the appropriate person or entity to meet the  
947 requirements of the securities depository as to registering or transferring the book entry to  
948 produce the same effect.

949           IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the City,  
950 resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it  
951 promptly will appoint a competent and legally qualified substitute therefor, and promptly will  
952 cause written notice thereof to be mailed to the registered owners of the Bonds.

953           IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond, and the  
954 series of which it is a part, is duly authorized by law; that the bonds issued for the public  
955 improvements heretofore described were approved by a vote of the resident, qualified electors of  
956 the City of Austin, Texas, voting at elections held for that purpose by the City on November 5,  
957 2013 and November 6, 2018, that all acts, conditions and things required to be done precedent to  
958 and in the issuance of this series of bonds, and of this Bond, have been properly done and  
959 performed and have happened in regular and due time, form and manner as required by law; that  
960 sufficient and proper provision for the levy and collection of ad valorem taxes has been made,  
961 which, when collected, shall be appropriated exclusively to the payment of this Bond and the  
962 series of which it is a part; and that the total indebtedness of the City of Austin, Texas, including

963 the entire series of bonds of which this is one, does not exceed any constitutional or statutory  
964 limitation.

965 INTEREST ON THIS BOND shall be calculated on the basis of a 360-day year  
966 consisting of twelve 30-day months.

967 BY BECOMING the registered owner of this Bond, the registered owner thereby  
968 acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms  
969 and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in  
970 the official minutes and records of the governing body of the City, and agrees that the terms and  
971 provisions of this Bond and the Ordinance constitute a contract between each registered owner  
972 hereof and the City.

973 IN WITNESS WHEREOF, this Bond has been duly executed on behalf of the City, under  
974 its official seal, in accordance with law.

\_\_\_\_\_  
City Clerk,  
City of Austin, Texas

\_\_\_\_\_  
Mayor,  
City of Austin, Texas

(SEAL)

975

976

\* \* \* \* \*

977 FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE:

978 PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

979 (To be executed if this Bond is not accompanied by an  
980 executed Registration Certificate of the Comptroller  
981 of Public Accounts of the State of Texas)

982 It is hereby certified that this Bond has been issued under the provisions of the  
983 proceedings adopted by the City as described in the text of this Bond; and that this Bond has  
984 been issued in conversion of and exchange for or replacement of a bond, bonds, or a portion of a  
985 bond or bonds of an issue which originally was approved by the Attorney General of the State of  
986 Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: \_\_\_\_\_, \_\_\_\_\_,  
Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Representative

987

988 \* \* \* \* \*

989 FORM OF COMPTROLLER'S CERTIFICATE (ATTACHED TO  
990 THE BONDS UPON INITIAL DELIVERY THEREOF):

991 OFFICE OF COMPTROLLER :  
992 : REGISTER NO. \_\_\_\_\_  
993 STATE OF TEXAS :

994 I hereby certify that there is on file and of record in my office a true and correct copy of  
995 the opinion of the Attorney General of the State of Texas approving this Bond and that this Bond  
996 has been registered this day by me.

997 WITNESS MY HAND and seal of office at Austin, Texas \_\_\_\_\_.  
998

999 \_\_\_\_\_  
1000 Comptroller of Public Accounts of the  
1001 State of Texas

1002 (SEAL)

1003 \* \* \* \* \*



**SCHEDULE I**  
(\*Amounts in thousands)

	<u>Total Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Unissued</u>
<u>Purpose</u>	<u>Authorized*</u>	<u>Previously</u>	<u>Being</u>	<u>Amount*</u>
		<u>Issued*</u>	<u>Issued*</u>	
1020				
1021				
1022				
1023				
1024				
1025				
1026	\$ 50,000	\$ 40,785	\$0	\$9,215
1027				
1028	9,975	9,648	0	327
1029				
1030	20,285	14,890	0	5,395
1031				
1032	31,500	27,500	0	4,000
1033	58,100	53,100	5,000 <sup>1</sup>	0
1034				
1035	143,299	125,690	4,625 <sup>1</sup>	12,984
1036	77,680	62,980	13,200 <sup>1</sup>	1,500
1037	31,079	28,065	3,000 <sup>1</sup>	14
1038	11,148	11,145	0	3
1039	13,442	9,840	3600 <sup>2</sup>	2
1040				
1041				
1042	65,000	62,000	3,000	0
1043				
1044				
1045	720,000	94,500	51,000 <sup>1</sup>	574,500
1046				
1047				
1048	250,000	0	34,905	215,095
1049	128,000	0	6,700 <sup>1</sup>	121,300
1050	149,000	0	11,280 <sup>1</sup>	137,720
1051	184,000	0	36,850 <sup>1</sup>	147,150
1052	16,000	0	600 <sup>1</sup>	15,400
1053	38,000	0	9,450 <sup>1</sup>	28,550
1054	160,000	0	5,150 <sup>1</sup>	154,850
1055				
1056				
1057	TOTAL	\$2,156,508	\$540,143	\$ 188,360
1058				
1059				
1060				
1061				

<sup>1</sup> Funded from the City's Public Improvement Bonds, Series 2019, issued pursuant to a separate ordinance presented for approval concurrently with this Ordinance.

<sup>2</sup> Funded by both the City's Tax-exempt Public Improvement Bonds, Series 2019 and the City's Taxable Public Improvement Bonds, Series 2019 in the amount of \$805 and \$2,795, respectively.